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Robert J. Lemons

Attorneys for Lehman Brothers Holdings Inc.
and Certain of its Affiliates

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	:
	:
Debtors.	:
	:
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**Chapter 11 Case No.
08-13555 (JMP)
(Jointly Administered)**

**NOTICE OF REVISED PROPOSED ORDER GRANTING
MOTION OF LEHMAN BROTHERS HOLDINGS INC. AND LEHMAN
BROTHERS SPECIAL FINANCING, INC. TO ESTIMATE CLAIMS FILED BY
CITADEL EQUITY FUND LTD. FOR PURPOSES OF ESTABLISHING RESERVES**

PLEASE TAKE NOTICE THAT, in connection with the motion of Lehman Brothers Holdings Inc. and Lehman Brothers Special Financing Inc. to estimate the amount of certain claims filed by Citadel Equity Fund Ltd. for the purpose of establishing reserves in connection with the Plan, dated March 7, 2012 [ECF No. 26097] (the "Motion"), attached hereto as Exhibit A is a revised proposed order granting the Motion.

PLEASE TAKE FURTHER NOTICE THAT attached hereto as Exhibit B is a

version of the revised proposed order marked to show changes from the version originally filed
with the Motion.

Dated: March 19, 2012
New York, New York

/s/ Robert J. Lemons
Robert J. Lemons

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Exhibit A

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:
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LEHMAN BROTHERS HOLDINGS INC., et al.,	:
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Debtors.	:
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Chapter 11 Case No.
08-13555 (JMP)
(Jointly Administered)

**ORDER GRANTING MOTION OF LEHMAN BROTHERS HOLDINGS INC. AND
LEHMAN BROTHERS SPECIAL FINANCING, INC. TO ESTIMATE CLAIMS FILED
BY CITADEL EQUITY FUND LTD. FOR PURPOSES OF ESTABLISHING RESERVES**

Upon the motion (the "Motion")¹ dated March 7, 2012, of Lehman Brothers Holdings Inc. ("LBHI") and Lehman Brothers Special Financing Inc. ("LBSF"), as a debtors and debtors-in-possession (together with their affiliated debtors in the above-captioned cases, the "Debtors"), pursuant to sections 105(a), 502(c) and 1142(b) of title 11 of the United States Code (the "Bankruptcy Code") and section 8.4 of the Plan, to estimate the amount of certain claims filed by Citadel Equity Fund Ltd. ("Citadel") for the purpose of establishing reserves in connection with the Plan, as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (i) the United States Trustee for Region 2; (ii) the attorneys for the Official Committee of

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; (vi) Citadel; and (vii) all other parties entitled to notice in accordance with the procedures set forth in the second amended order entered on June 17, 2010 governing case management and administrative procedures for these cases, ECF No. 9635; and the relief sought in the Motion is in the best interests of LBHI and LBSF, and their creditors, and all parties in interest and the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that the Contingent LBSF Primary Claim (proof of claim number 33631) is estimated at \$0 solely for the purpose of establishing distribution reserves under the Plan; and it is further

ORDERED that the Contingent LBSF-Related Guarantee Claim (proof of claim number 33632) is estimated at \$0 solely for the purpose of establishing distribution reserves under the Plan; and it is further

ORDERED that the LBIE-Related Guarantee Claim (proof of claim number 33633), which is reflected on the claims register as being owned by Credit Suisse Loan Funding LLC in the amount of \$423,036,453.48 and Citadel in the amount of \$56,316,519.34, is estimated at \$423,036,454 (reflecting a reduction of \$56,316.519.34 for default interest that accrued after the filing of LBHI's chapter 11 petition) in LBHI Class 9A solely for the purpose of establishing distribution reserves under the Plan, which distribution reserves shall be for the \$423,036,454 portion of proof of claim number 33633 as reflected on the claims register as being owned by Credit Suisse Loan Funding LLC; and it is further

ORDERED that the estimation of the Citadel Claims as provided herein is not deemed to determine or affect in any respect the Citadel Claims for any purpose other than establishing the reserve amount for the Citadel Claims under the Plan; and it is further

ORDERED that the estimation of the Citadel Claims is without prejudice to the rights, if any, of Citadel or Credit Suisse Loan Funding LLC to assert that the allowed amount of the Citadel Claims should be greater than the estimated reserve amounts; and it is further

ORDERED that the estimation of the Citadel Claims is without prejudice to the rights defenses and objections of LBHI, LBSF, or the Plan Administrator (as defined in the Plan) to the merits, amount and priority of the Citadel Claims and that by estimating the Citadel Claims, all rights of LBHI, LBSF and the Plan Administrator with respect to the Citadel Claims are fully preserved; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
[____], 2012

Honorable James M. Peck
United States Bankruptcy Judge

Exhibit B

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re	: Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
Debtors.	: (Jointly Administered)
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**ORDER GRANTING MOTION OF LEHMAN BROTHERS HOLDINGS INC. AND
LEHMAN BROTHERS SPECIAL FINANCING, INC. TO ESTIMATE CLAIMS FILED
BY CITADEL EQUITY FUND LTD. FOR PURPOSES OF ESTABLISHING RESERVES**

Upon the motion (the “Motion”)¹ dated March 7, 2012, of Lehman Brothers Holdings Inc. (“LBHI”) and Lehman Brothers Special Financing Inc. (“LBSF”), as a debtors and debtors-in-possession (together with their affiliated debtors in the above-captioned cases, the “Debtors”), pursuant to sections 105(a), 502(c) and 1142(b) of title 11 of the United States Code (the “Bankruptcy Code”) and section 8.4 of the Plan, to estimate the amount of certain claims filed by Citadel Equity Fund Ltd. (“Citadel”) for the purpose of establishing reserves in connection with the Plan, as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (i) the United States Trustee for Region 2; (ii) the attorneys for the Official Committee of

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; (vi) Citadel; and (vii) all other parties entitled to notice in accordance with the procedures set forth in the second amended order entered on June 17, 2010 governing case management and administrative procedures for these cases, ECF No. 9635; and the relief sought in the Motion is in the best interests of LBHI and LBSF, and their creditors, and all parties in interest and the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that the Contingent LBSF Primary Claim (proof of claim number 33631) is estimated at \$0 solely for the purpose of establishing distribution reserves under the Plan; and it is further

ORDERED that the Contingent LBSF-Related Guarantee Claim (proof of claim number 33632) is estimated at \$0 solely for the purpose of establishing distribution reserves under the Plan; and it is further

ORDERED that the ~~Contingent~~ LBIE-Related Guarantee Claim (proof of claim number 33633), which is reflected on the claims register as being owned by Credit Suisse Loan Funding LLC in the amount of \$423,036,453.48 and Citadel in the amount of \$56,316,519.34, is estimated at \$423,036,454 (reflecting a reduction of \$56,316.519.34 for default interest that accrued after the filing of LBHI's chapter 11 petition) in LBHI Class 9A solely for the purpose of establishing distribution reserves under the Plan, which distribution reserves shall be for the \$423,036,454 portion of proof of claim number 33633 as reflected on the claims register as being owned by Credit Suisse Loan Funding LLC; and it is further

ORDERED that the estimation of the Citadel Claims as provided herein is not deemed to determine or affect in any respect the Citadel Claims for any purpose other than establishing the reserve amount for the Citadel Claims under the Plan; and it is further

ORDERED that the estimation of the Citadel Claims is without prejudice to the rights, if any, of Citadel or Credit Suisse Loan Funding LLC to assert that the allowed amount of the Citadel Claims should be greater than the estimated reserve amounts; and it is further

ORDERED that the estimation of the Citadel Claims is without prejudice to the rights defenses and objections of LBHI, LBSF, or the Plan Administrator (as defined in the Plan) to the merits, amount and priority of the Citadel Claims and that by estimating the Citadel Claims, all rights of LBHI, LBSF and the Plan Administrator with respect to the Citadel Claims are fully preserved; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
[____], 2012

Honorable James M. Peck
United States Bankruptcy Judge